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State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director
JOHN R. BAZA
Division Director

Supervisor DRH

Inspection Report
Minerals Regulatory Program
Report Date: July 18, 2005

Mine Name: Small Fry
Operator Name: Molycorp

Permit number: M/037/022
Inspection Date: June 9, 2005
Time: 3:00-4:00 PM

Inspector(s): Paul Baker
Other Participants: Ray Cherniske (Molycorp)
Mine Status: Reclaimed

Weather: Cloudy, 60's

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	☒	☐	☐
2. Public Safety (shafts, adits, trash, signs, highwalls)	☐	☐	☐
3. Protection of Drainages / Erosion Control	☒	☒	☐
4. Deleterious Material	☐	☐	☐
5. Roads (maintenance, surfacing, dust control, safety)	☐	☐	☐
6. Concurrent Reclamation	☐	☐	☐
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	☐	☐	☐
8. Water Impoundments	☐	☐	☐
9. Soils	☐	☐	☐
10. Revegetation	☒	☒	☐
11. Air Quality	☐	☐	☐
12. Other	☐	☐	☐

Purpose of Inspection:
It is now the third year since the site was reseeded, and we wanted to see whether the site might qualify for final release.

Inspection Summary:
3. Protection of Drainage/Erosion Control
Erosion is not a problem on most of the site, but there are some slopes toward the south part of the area where there has been some erosion (Photo 3). These slopes appear to have a lot of clay, there is not much vegetation, and there is a small drainage that comes down from undisturbed areas above the mine. Much of the sediment coming off the slope settles out on the pad (Photo 2), but some goes farther down the hill.

10. Revegetation
The vegetation has progressed a lot since the last time I visited this site about a year ago. The grasses are much better established, and there are numerous rabbitbrush and fourwing saltbush seedlings. Many of the grass plants had a fungus, probably a smut, in the seeds. Photo 1 shows the access road, and Photos 2 and 4 show the pad.

On top of the plateau, there are three road segments that were reclaimed. While there are some weeds in these areas, the vegetation is generally looking good (Photos 5 and 6).

Conclusions and Recommendations:
I am not certain whether the vegetation meets release criteria. The operator needs to measure vegetation cover and provide this information so the Division can make this determination.

Several methods could be used for measuring cover, but the most common methods are ocular estimation and point intercept. Sample locations should be placed randomly throughout the site with no area excluded from potential sampling. The number of samples needed would depend on the estimation method and the mount of area included in each sample. If ocular estimates are made on square meter quadrats, about 30 samples should be taken. Since vegetation at the mine site is different than vegetation on the plateau, it may be best to segregate the data from these two areas.

One or two undisturbed areas need to be measured for comparison with the reclaimed areas. These should have similar aspects and soils as the reclaimed areas, but this may be difficult for the mine site. There are some slopes above the access road that may be comparable. I suggest that, if possible, the operator coordinate selection of these reference sites with the Division.

I told Mr. Cherniske I would try to find a map of the disturbed area that he could use to plan revegetation sampling, but the surface disturbance maps in the Division's files are of poor quality. I am enclosing a map that was submitted with the 2003 annual report; it is the best I could find.

Inspector's Signature PBB _____ **Date: July 18, 2005**

PBB:jb
cc: Ray Cherniske, Molycorp
Frank Bain, Moab BLM
Attachment: Photos
Map from 2003 Annual Report
O:\M037-SanJuan\M0370022-SmallFry\draft\ins-06092005.doc

ATTACHMENT
Photographs
M/037/022, Small Fry Mine, Molycorp
Inspection Dated: June 9, 2005; Report Dated: July 18, 2005

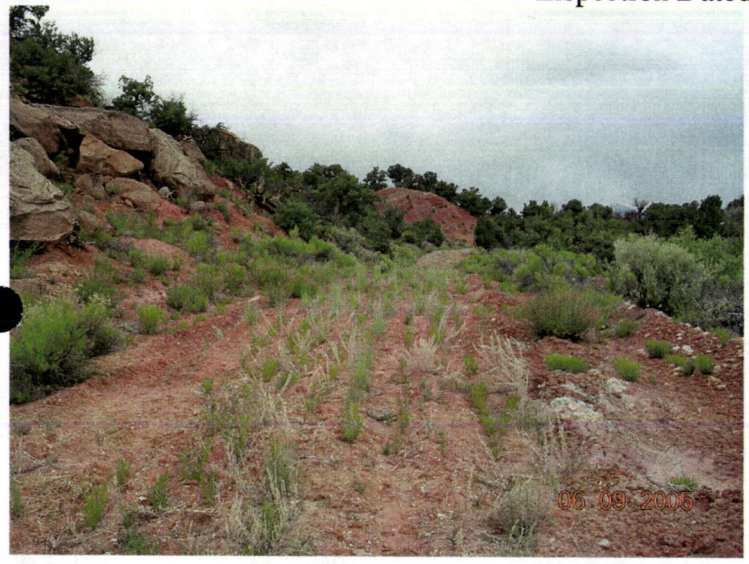

Photo 1. The access road.

Photo 2. The mine pad. Water from undisturbed areas above the mine has flowed across this area and deposited some sediment.

Photo 3. There is some erosion where runoff from undisturbed areas crosses part of the reclaimed highwall.

Photo 4. Another view of the pad.

Photo 5. Road leading to a vent hole on top of the plateau.

Photo 6. Another road on top of the plateau. Vegetation along this road is almost identical to adjacent areas.

SMALL FRY NO. 4, 5, 6, 7, 19, 20